

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

ELECTIONS, UNIT: V-2373

(herein "Subject Drilling Unit")

DOCKET NUMBER VGOB-94/01/18-0434

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of § 7.c of the Virginia Gas and Oil Board Regulations, VR 480-05-22.2 by supplementing the Order previously issued by the Board for the subject Docket on March 14, 1994 and recorded at Deed Book 774, Page 273 in the Office of the Clerk of the Circuit Court, Wise County, Virginia on March 23, 1994, (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a) The Board Order directed Equitable Resources Exploration (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

(b) The Designated Operator filed its affidavit of mailing dated January 5, 1994 disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

(c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated April 13, 1994 in accordance with 7.c of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii)

whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;

(d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interest as part of its Affidavit of Election. A copy of which is attached hereto.

(e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, Virginia 24651, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow.


3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, Virginia 24651, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said Affidavits to receive such funds and account to the Board therefore.

4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 3rd day of August 1994, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 3rd day of August, 1994, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Susan G. Garrett
Susan G. Garrett
Notary Public

My commission expires 7/31/98

DONE AND PERFORMED this 3rd day of August 1994 by Order of this Board.

Byron Thomas Fulmer
Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA
COUNTY OF WASHINGTON

Acknowledged on this 3rd day of August, 1994, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis
Diane J. Davis
Notary Public

My commission expires 9/30/97

VIRGINIA: In the Clerk's Office of Wise Circuit Court Aug 5 19 94
This deed was presented and upon the annexed Certificate of acknowledgement admitted to
record at 11:30 A M. The tax imposed by 58.54 1 of the Code has been paid in
amount of \$ 784 Recorded in Deed Book 784 and Page 382
Teste: C. Gary Rakes, Clerk C. Gary Rakes Deputy Clerk

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Equitable Resources Exploration for Forced Pooling of Interests in Unit Number V-2373, VGOB Docket No. VGOB-94-0118-0434 in the Lipps Magisterial District of Wise County, Virginia

AFFIDAVIT OF HUNTER, SMITH & DAVIS, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of Hunter, Smith & Davis, the Agent for the Designated Operator, with offices located at 1212 North Eastman Road, Kingsport, Tennessee 37664, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on March 14, 1994, by the Virginia Gas and Oil Board regarding the captioned [CBM] or [conventional] Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on March 23, 1994;
5. That the Designated Operator, by and through their agent, HUNTER, SMITH & DAVIS, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made

with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period:

Name	Election	Date
1)		
2)	NONE	

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

- 1) Jewell Carr
deemed to have leased (unknown)
76 cents bonus cash consideration (\$5.00 per net mineral acre)
.0001493 royalty interest (12.5% X 1/20 X 0.819%)
(12.5% X 1/40 X 3.143%)
- 2) James Shipp
deemed to have leased (unknown)
76 cents bonus cash consideration (\$5.00 per net mineral acre)
.0001493 royalty interest (12.5% X 1/20 X 0.819%)
(12.5% X 1/40 X 3.143%)
- 3) Jeanette Adkins Johnson
deemed to have leased (unknown)
\$11.20 bonus cash consideration (\$5.00 per net mineral acre)
.00222875 royalty interest (12.5% X 1/8 X 1.783%)
- 4) Daniel E. Buchanan Heirs
deemed to have leased (unknown)
24 cents bonus cash consideration
.0000468 royalty interest (12.5% X 1/84 X 3.143%)

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

None.

8. That the following persons have not made a timely

election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraphs 3 and 2(c) of the Order.

- 1) Jewell Carr
- 2) James Shipp
- 3) Jeanette Adkins Johnson
- 4) Daniel E. Buchanan Heirs

9. That pursuant to the provision of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth and identifies the conflicting claims and/or interest which require escrow of funds pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22.A.3 and 4.

Dated at Kingsport, Tennessee, this 22nd day of April, 1994.

James E. Kaiser
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Resources Exploration, a corporation, on behalf of the corporation, this 22nd day of April, 1994.

My commission expires: March 12, 1996

Daniel K. Talbot
Notary

EXHIBIT "B"
V-2373 Page 1
VGOB 94-0118-0434

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
<u>TRACT 1</u>				
Virginia Iron, Coal & Coke Attn: R.G. Poindexter, Vice President & General Manager P. O. Box 1871 Roanoke, VA 24008	Leased-EREX 223010L-01 WI-106	17.648%	22.176	.02206 (until 120% well payout)
Equitable Resources Exploration				.15442
Tract 1 Total		17.648%	22.176	17.648%
<u>TRACT 2</u>				
Fannie Mae Adkins, Widow Unknown	Unleased Life Estate	0.00%	0.00	0.00
Jeanette Adkins Johnson, Widow Unknown	Unleased Remainder	1.783%	2.24	.00222875
Equitable Resources Exploration				.01560125
Tract 2 Totals		1.783%	2.24	1.783%
<u>TRACT 3</u>				
Ann R. Dorton, Attorney-In Fact for Emily F. Richmond 1413 Garden Drive Kingsport, TN 37664	Leased-EREX 244452L-01	3.263%	4.10	.00407875
Equitable Resources Exploration				.02855125
Tract 3 Totals		3.263%	4.10	3.263%

EXHIBIT 'B'
V-2373 Page 2
VGOB 94-0118-0434

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
TRACT 4				
Joyce Crystal Buchanan a/k/a/ Joyce Davis and William P. Davis, W/H 4070 Black Highway Smyrna, SC 29743	Leased-EREX 244492L-01	.2048%	.25725	.0002559
Dale Chapman Oliff and Jewell D. Oliff, H/W 17325 Blossom View Dr. Olney, MD 20832	Leased-EREX 244492L-02	.3685%	.46305	.0004607
Katherine Mason McCracken, Widow 144 Shoreman Road Spartanburg, SC 29307	Leased-EREX 244492L-04	.0819%	.1029	.0001024
Nell Mason Barr and John M. Barr, W/H 4701 Carter Hill Road Columbia, SC 29206	Leased-EREX 244492L-03	.0819%	.1029	.0001024
Jewell Carr, Widow Unknown	Unleased	.04095%	.05145	.0000512
James Shipp, Single Unknown	Unleased	.04095%	.05145	.0000512
Equitable Resources Exploration				.0071662
Tract 4 Totals		0.819	1.029	0.819

TRACT 5

Virginia Iron, Coal & Coke ATTN: R.G. Poindexter, Vice President & General Manager P. O. Box 1871 Roanoke, VA 24008	Leased-EREX 223010L-01 WI-108	18.6612%	23.4502	.0233265 (until 120% well payout)
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EXHIBIT "B"
V-2373 Page 3
VGOB 94-0118-0434

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
William A. Buchanan and Alberta Buchanan, H/W Rt. 1, Box 425 Wise, VA 24293	Leased-EREX 243407L-01	.405675	.509782	.0005071
Billy Wayne a/k/a/ Wayne Coleman a/k/a Billy Wayne Coleman and Debbie Coleman, H/W Magnolia Lane, Rt. 3, Box 1949 Palatka, FL 32177	Leased-EREX 243407L-04	.20285%	.2549	.0002535
James D. Hamm and Pat Hamm, H/W 4312 West Bogart Road Sandusky, OH 44870	Leased-EREX 243407L-02	2.83975%	3.5685	.0035496
Virginia Rose Coleman, Single Rt. 4, Box 18 Floyd, VA 24091	Leased-EREX 243407L-03	.20285%	.2549	.0002535
Ida Buchanan, Widow 6209 Gold Dust Drive Kelseyville, CA 95451	Leased-EREX Life Estate 243407L-05	0.00%	0.00	0.00
Robert Edward Buchanan and Kristi Buchanan, H/W 6209 Gold Dust Drive Kelseyville, CA 95451	Leased-EREX Remainder 243407L-05	.135218%	.16992	.0001691
Esther Maria Buchanan, Single 6209 Gold Dust Drive Kelseyville, CA 95451	Leased-EREX Remainder 243407L-05	.135218%	.16992	.0001691

EXHIBIT "B"
V-2373 Page 4
VGOB 94-0118-0434

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
Roberta Eugenia Buchanan, Single 6209 Gold Dust Drive Kelseyville, CA 95451	Leased-EREX Remainder 243407L-05	.135218%	.16992	.0001691
Equitable Resources Exploration				.1987825
Tract 5 Totals		22.718%	28.548042	22.718%
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TRACT 6				
Edwin L. Dingus and Nannie F. Dingus, H/W Rt. 2, Box 170 Nickelsville, VA 24271	Leased-EREX 242393-01	48.289%	60.680	.0603612
Equitable Resources Exploration				.4225288
Tract 6 Totals		48.289%	60.680	48.289%
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TRACT 7				
C. & K. Coal Company, Inc. P. O. Box BB St. Paul, VA 24283	Leased-EREX 243408L-07	.2245%	.28207	.0002806
William A. Buchanan and Alberta Buchanan, H/W Rt. 1, Box 425 Wise, VA 24293	Leased-EREX 243408L-02	.2619%	.32908	.0003274
Bernice Couch and Hubert W. Couch, W/H P. O. Box 464 Coeburn, VA 24230	Leased-EREX 243408L-01	.5238%	.6582	.0006548
Virginia Coleman, Single Rt. 4, Box 18 Floyd, VA 24091	Leased-EREX 243408L-04	.131%	.1645	.0001637

EXHIBIT 'B'
V-2373 Page 5
VGOB 94-0118-0434

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
Billy Wayne Coleman and Debbie Coleman, H/W Rt. 3, Box 1949 Palatka, FL 32177	Leased-EREX 243408L-05	.131%	.1645	.0001637
Ida Buchanan, Widow 6209 Gold Dust Drive Kelseyville, CA 95451	Leased-EREX Life Estate 243408L-12	0.00%	0.00	0.00
Robert Edward Buchanan Kristi Buchanan, H/W 6209 Gold Dust Drive Kelseyville, CA 95451	Leased-EREX Remainder 243408L-12	.0873%	.1097	.0001091
Ester Maria Buchanan, Single 6209 Gold Dust Drive Kelseyville, CA 95451	Leased-EREX Remainder 243408L-12	.0873%	.1097	.0001091
Roberta Eugenia Buchanan, Single 6209 Gold Dust Drive Kelseyville, CA 95451	Leased-EREX Remainder 243408L-12	.0873%	.1097	.0001091
Daniel E. Buchanan Heirs Unknown	Unleased	.0374%	.047	.0000468
Jewell Buchanan Oliff, Widow #1 Calibogue Rd. Savannah, GA 31410	Leased-EREX 243408L-06	.707%	.8885	.0008839
Joyce Crystal Buchanan Davis and William P. Davis, W/H 4070 Black Highway Smyrna, SC 29743	Leased-EREX 243408L-03	.3929%	.4936	.0004911
Katherine Mason McCracken, Widow 144 Shoreman Road Spartanburg, SC 29307	Leased-EREX 243408L-09	.1572%	.1975	.0001964

EXHIBIT "B"
V-2373 Page 6
VGOB 94-0118-0434

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
Nell Mason Barr and John M. Barr, W/H 4701 Carter Hill Road Columbia, SC 29206	Leased-EREX 243408L-08	.1572%	.1975	.0001964
Jewell Carr, Widow Unknown	Unleased	.0786%	.0987	.0000983
James Shipp, Single Unknown	Unleased	.0786%	.0987	.0000983
Equitable Resources Exploration				.0275013
Tract 7 Totals		3.143%	3.94895	3.143%
TRACT 8				
Judy Kelch and John Kelch, W/H 8044 Eastdale Road Baltimore, MD 21224	Leased-EREX 242653L-03	.1052%	.1322	.0001315
Jimmy Skeen and Carol Skeen, H/W 113 Lariot Road Baltimore, MD 21220	Leased-EREX 242653L-06	.1052%	.1322	.0001315
Neil Ginsberg, Widower 9129 Flampool Way Columbia, MD 21045	Leased-EREX 242653L-05	.1052%	.1322	.0001315
Victor Robinette, Widower 755 Middlesex Road Baltimore, MD 21221	Leased-EREX Life Estate 242653L-02	0.00%	0.00	0.00
Alan Robinette, Single 713 Teal Court Harve de Grace, Md 21078	Leased-EREX Remainder 242653L-01	.0351%	.0441	.0000438
Ronnie Ray Robinette and Sharyn A. Robinette, H/W 2506 Butternut Street Edgewood, MO 21040	Leased-EREX 242653L-01	.0351%	.0441	.0000438

EXHIBIT "B"
V-2373 Page 7
VGOB 94-0118-0434

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
Wanda Sue Galinus and Benny Galinus, W/H 6611 Danville Road Baltimore, MD 21224	Leased-EREX 242653L-04	.0351%	.0441	.0000438
Wilma A. Skeen, Widow 215 N. Linwood Avenue Baltimore, MD 21224	Leased-EREX 242653L-07	.1052%	.1322	.0001315
Equitable Resources Exploration				.0046026
Tract 8 Totals		0.526	.6611	0.526
TRACT 9				
Virginia Iron, Coal & Coke ATTN: R. G. Poindexter, Vice President and General Manager P. O. Box 1871 Roanoke, VA 24008	Leased-EREX 223010L-01 WI-159	1.811%	2.277	.0022637
Equitable Resources Exploration				.0158463
Tract 9 Totals		1.811%	2.277	1.811%
TOTAL				